

Real Estate April 2nd 2020

While home values may have declined at the moment we still do not have strong supporting data to know this for sure. Initial sales data suggests it is likely, however, values will surely come back just like did after Sandy. If you're enjoying your home and have no immediate plans to sell think of it like a brokerage account or stock, the loss is on paper unless you sell.

One month ago we were not seeing any measurable impact to local sales activity from Covid -19, clearly, this has changed which is not surprising. Buyers are reluctant to come out and look, sellers are reluctant to allow access. Can't blame them. Multiple listing services now allow "No Showings" to be added to a listing description which in the past was not allowed.

If we take the homes that went under contract, February and March the number is the same, 9 units for Berkeley waterfronts, however of the 9 in March, two-thirds were before the 15th of the month.

Here is part of what NJAR (New Jersey Association of Realtors) said on the current situation:

"We have been working to get clarification from the governor's office on how [Executive Order 107 affects real estate](#). We have, as we have been all throughout this pandemic, constantly communicating with the governor's office with regard to clarification on what real estate practices are allowable during the time period the Executive Order is in effect. We are not the only industry awaiting guidance.

In the absence of official guidance, we urge our members to exercise extreme caution with their clients. However, it should be noted that people have been ordered to shelter in place under paragraph 2 of Executive Order 107 unless they fall within one of the exceptions in the Order and there is no exception listed for buyers to leave their homes."

Home inspections and town CO inspections are still proceeding with caution and of course, social distancing practices should be observed. At the moment if a property is vacant the town has done their inspection, however, this could of course change and if the home is occupied - it's up to the inspector at the moment.

Caravans and open houses are not allowed.

The Covid-19 virus will change the real estate industry in some ways that are obvious at the moment and ways yet to be known. On line pictures, virtual tours and the true video tour (there is a big difference from a virtual tour to a video tour as perceived by the

buyers) will take on greater importance to the marketing of a property. Even closings are using technology with notaries not physically present but doing their part through video conferencing.

As sales volume slows there will, of course, be downward price pressure. Reduced inventory is the opposing factor (only 18 homes showing active on the market at the moment for Berkeley Shores) so that is good! Consumer confidence and travel restriction all having downward pressure as they limit the number of potential buyers.

A good portion of Berkeley Shore sales are discretionary second homes and we know that many of these buyers are in a holding pattern. We should be in prime waterfront season, however, we know of buyers who have canceled their deals or have just stopped looking for the time being. They will be back as people have always wanted waterfront homes and Berkeley Shores is the gem of Bayville waterfronts!

So let's look at how this situation can be used to your advantage for when buyers return, and they will. Many home owners (us included) have too much clutter and things they may have wanted to do with our homes, however, we have just lived with it. Take this time to get rid of items that you don't need and spruce things up a bit. Painting is the easy one and goes a long way to make a home look better.

Below is the latest link (January) called the "NJ Skinny" from the NJAR (New Jersey Association of Realtors) that you might find interesting. I will post additional ones as they become available. They will show big changes I'm sure.

January 2020 report from:

<https://youtu.be/SPiisWR OSU>

Thank you and stay safe!

Bob Nunn servers on the BSHCA board as Second VP.

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